



## Success Story

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### ***Owners of Hamilton-Turner Inn Assume SBA Loan To Purchase Historic 18-Room Property in Savannah --French Style Mansion was built in 1873--***

When Jim and Gay Dunlop bought the Hamilton-Turner Inn in March of last year, they were able to assume an SBA 504 Loan that the previous owners had used in their purchase of the historic property.

“Everything went very smooth,” said Jim of the purchase of the inn on LaFayette Square in the heart of Savannah. “The previous owners asked us if we wanted to assume their loan. The interest rate was very attractive and it worked perfectly for us.”

The Dunlops had used a 504 loan in buying their first inn in New Hampshire six years ago. So they were aware of the long-term benefits (up to 20 years) offered by this type of SBA guaranteed financing. The assumption of the loan also saved the sellers a pre-payment penalty that would have been incurred if the 504 was paid off early.

The Dunlops moved to New Hampshire, and the bed & breakfast business, after Jim spent 12 years traveling as a regional manager in Southeast Asia for a company based in Lancaster, Pa. Their B&B property they acquired in New Hampshire was the 13-room Glynn House Inn on Lake Squam. This lake was the setting for the popular movie “On Golden Pond.”



Gay & Jim Dunlop enjoy a spring morning in front of their historic inn off LaFayette Square in Savannah

Shortly after they bought it, the Dunlops renovated their New Hampshire inn and operated the property successfully until they decided to move back south.

“We wanted a destination location where you have a steady flow of tourists and good prospects for the future,” explained Dunlop. “We found that people want to come to Savannah. It’s just off I-95 and near other attractions such as Charleston, Hilton Head Island and south to St. Simons. People love to travel up and down this coast line.”

Jim and Gay looked at other inns in Columbus, Georgia and Wilmington, N.C., before a broker referred them to the Hamilton-Turner Inn in Savannah.

The Dunlop’s loan assumption was handled by Tony O’Reilly at the Small Business Assistance Corporation (SBAC) in Savannah. The SBAC and Darby Bank & Trust were the lenders on the original 504 loan for the Hamilton-Turner Inn.

“We felt that our 504 Loan Program was a good fit for the Dunlops,” said Tony O’Reilly, Executive Director at the SBAC. “They were seasoned innkeepers with a proven track record, and had used a 504 Loan to purchase their first inn in New Hampshire in 2001.”

The SBAC is an SBA Certified Development Company and provided about 40 percent of the 504 financing that was assumed by the Dunlops. The SBAC funds are covered by a debenture guaranteed by the SBA. These debentures generally can go up to \$1.5 million or to \$4 million for small manufacturers. Darby Bank & Trust in Savannah provided about 50 percent of the 504 Loan while the Dunlops put about 25 percent equity into the project.

Jim was born in Canada and received a degree in Agricultural Economics from the University of Guelph in the Province of Ontario. Gay is a former operating room nurse and currently handles the kitchen at their inn along with interior decorations. They have two sons and a daughter.

After buying the Hamilton-Turner Inn, the Dunlops have made major improvements including new central air conditioning, a new roof, new bedroom furniture and the replacement of all 53 windows in the three-story building with thermal-pane units.

There is also a much improved web site for the inn which has 10 employees. “Our web site is critical to this business,” said Jim who uses a firm in Colorado to manage their online reservations at [www.hamilton-turnerinn.com](http://www.hamilton-turnerinn.com).

The Dunlops are members of the State Tourism Board, the Georgia B&B Association and the Historic Inns of Savannah organization. Their inn has received the AAA Four Diamond Award and is a member of the prestigious Select Registry, Distinguished Inns of North America.

**Jim & Gay Dunlop, Owners**  
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